

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE APPLICATION OF</b>	)	
<b>FALLS WATER COMPANY, INC. FOR</b>	)	<b>CASE NO. FLS-W-03-01</b>
<b>AUTHORITY TO INCREASE ITS RATES AND</b>	)	
<b>CHARGES.</b>	)	<b>ORDER NO. 29317</b>
	)	
	)	

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On July 25, 2003, Falls Water Company, an Idaho not-for-profit corporation and holder of Certificate of Public Convenience and Necessity No. 236, filed an Application with the Idaho Public Utilities Commission (Commission) requesting authority to increase its revenue requirement by \$129,564.25 (38%). As set forth in its Application, the proposed increase reflects the increased costs of maintenance and replacement of aging infrastructure and improving its customer service response.

If the proposed increase is approved, metered residential customers would experience an average monthly increase of \$6.39 (46%). Metered commercial customers would experience an average monthly increase of \$15.96 (79%). Unmetered residential customers would experience a monthly increase of \$4.27 (31%). Multi-family residential customers would experience an average monthly decrease of \$9.99 (-73%) per unit.

Falls Water requests the following change in water rates and charges:

Schedule No. R-1—residential metered service

Metered rates to increase from \$10.00 for the first 20,000 gallons and \$0.32984 per thousand gallons in excess of 20,000 gallons to \$14.50 for the first 17,000 gallons and \$0.40 per thousand gallons in excess of 17,000.

Schedule No. R-2—residential flat rate service

Monthly charges to increase from \$13.73 to \$18.00.

Schedule No. R-3—residential multi-family

Existing flat rate of \$13.73 per vacant or occupied unit will be changed to a metered rate of \$14.50 for the first 17,000 gallons and \$0.40 per thousand gallons in excess of 17,000. The rate would apply to all duplexes, four-plexes, and apartment buildings where individual units in a building are not metered separately and/or living units cannot be sold separately.

Schedule No. C-2—metered commercial service

Existing rate of \$10 for the first 20,000 gallons and \$0.32984 per thousand gallons in excess of 20,000 gallons will be changed to \$14.50 for the first 17,000 gallons and \$0.40 per thousand gallons in excess of 17,000.

Falls Water requests that the proposed changes in rates take effect on October 15, 2003. The Company requests that its Application be processed under the Commission's Rules of Modified Procedure, i.e., by written submission rather than by hearing. Reference Commission Rules of Procedure, IDAPA 31.01.01.201-204. After reviewing the Application, the Commission makes the following findings of fact, conclusions of law, and Order:

#### **FINDINGS OF FACT**

Falls Water Company has submitted a proposed schedule of rates and charges for water service to become effective on and after October 15, 2003. The Application is of sufficient importance and complexity to require the Commission's investigation into the reasonableness of the proposed rates and charges.

The Commission is unable to consider the Application in Case No. FLS-W-03-01 before October 15, 2003, because of time required to audit the Company's financial books and inspect the Company's physical plant and because of further procedure yet to be determined.

#### **CONCLUSIONS OF LAW**

The Idaho Public Utilities Commission has jurisdiction over Falls Water Company and its Application for an increase in rates and charges by virtue of Title 61, Idaho Code and the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*


The Commission has the authority under Idaho Code § 61-622 to suspend the rates and charges that are the subject of the Application for a period of thirty (30) days plus five (5) months, or less if the Commission acts sooner, from the proposed effective date of October 15, 2003.

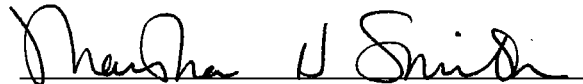
It is necessary to suspend the rates proposed in this Application for a period of ninety (90) days, or less if the Commission acts sooner, from the effective date of October 15, 2003, to permit Commission Staff to audit the Commission's financial records and inspect the Company's physical plant, to provide sufficient time to calendar further procedure, to receive customer and Staff comments and to consider and determine the issues presented in this Application.

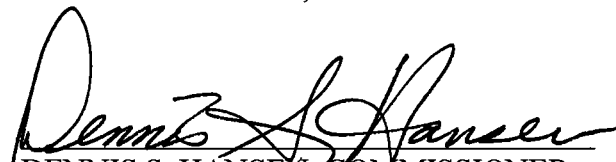
## ORDER

IT IS THEREFORE ORDERED that the proposed schedule of rates and charges for water service in Case No. FLS-W-03-01 should be, and here is, suspended for a period of ninety (90) days from October 15, 2003, or until such earlier time as the Commission may issue an Order accepting, rejecting or modifying the Application in this case. No change in the existing rates and charges is permitted without prior Commission approval.

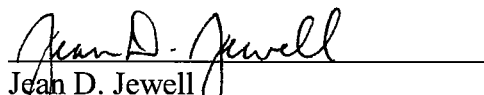
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 20<sup>th</sup> day of August 2003.

  
PAUL KJELLANDER, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
DENNIS S. HANSEN, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

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